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Final Edition

**Obama's neighbor causing a stir: Rezko lawyer wants to build Kenwood condos**

By Chris Fusco and Dave McKinney

Staff reporters

Democratic presidential candidate Barack Obama has a new neighbor.

It's no longer the wife of indicted political fund-raiser Tony Rezko.

It's a Rezko lawyer.

And the lawyer's plan to build a six-unit condominium building south of Obama's house is already sparking opposition in Obama's historic South Side neighborhood dominated by single-family homes.

Rita Rezko sold the corner lot to a firm owned by her husband's longtime business attorney, Michael J. Sreenan, late last year, newly filed property records show.

The parcel is smaller than the one she originally purchased because Obama bought a 10-foot-wide strip in January 2006 -- giving the senator a bigger buffer between his house and any potential development next door.

**$5,000 FOR OBAMA**

Obama has called the transaction "boneheaded" and "a mistake" because it was done when Tony Rezko, a longtime Obama political supporter, was widely known to be the target of a federal investigation.

Sreenan's condo plan revives the politically embarrassing chain of events as Obama's presidential bid kicks into high gear. Obama has acknowledged seeking Tony Rezko's advice before buying his house, which led to Rezko becoming interested in the neighboring property.

"In some respects, [Obama] did what any homeowner who had the resources to buy some extra property and buffer their land might do," said Cindi Canary, director of the Illinois Campaign for Political Reform. "Certainly having had a relationship with [the Rezkos] had to have facilitated that process."

Sreenan has contributed $5,000 to Obama political campaigns but doubts the senator "would recognize me if he saw me on the street." Sreenan had an inside track to buy the parcel because he knew Rita Rezko was willing to sell it. The property never went on the real estate market, he said.

Sreenan said he hopes to get city approval for a building that "conforms to the historical area," adding: "It's on a distinctive street. There's kind of an openness to the land . . . and you've got attractive views from every angle."

But there already are questions about how his condo plan would mesh with the Kenwood historic district.

Ald. Toni Preckwinkle (4th) doesn't like his preliminary plans for a six-unit structure.

"At this point, neither our office or [the city's] landmarks [commission] has decided that's a good fit for that area because there's nice single-family homes" in the neighborhood, said Mae Wilson, Preckwinkle's planning and development coordinator. "We try to keep continuity with what's there."

**Plan still in early stages**

The historic district includes dozens of residents intent on preserving the neighborhood's spacious, turn-of-the-century-era mansions as single-family homes.

"Generally, we would prefer single-family homes to be built on the lots," said Margaret Goldstein, president of the Kenwood Open House Committee. "I wouldn't say we're categorically against anything else, but that would be our preference."

Responding to the concerns, Sreenan said, "We are still in the early stages of this development and I certainly want a development that fits in with the rest of the neighborhood."

Rita Rezko turned a five-figure profit in the time she owned the property. She bought the 60-foot-wide by 150-foot-long lot for $625,000 in June 2005 and sold off a 10-foot-wide stretch to Obama on Jan. 11, 2006, for $104,500.

Sreenan bought the remainder of the lot for $575,000 on Dec. 28, making her profit on both sales $54,500.

An Obama spokesman said the senator has not spoken to Sreenan about his proposed development but is not surprised building plans are on the table.

"The senator has always known this land was up for development, that eventually it would be developed, and now the story has progressed to the point of what that development will look like," Obama spokesman Robert Gibbs said.